

Industrial Complex To Be Built Soon in Venezuelan Wilderness

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United Press International
Santo Tome de Guayana, Venezuela—You have just entered a world of dreams.

There is no Santo Tome de Guayana, Venezuela. There is only a dream by that name. It is a dream born on the windswept badlands of southeastern Venezuela beside the wild-rushing Rio Caroni and belauded by throat-parching dust of a hill the Indians call "La Parida."

Here, if the dream comes true, will rise one of the world's great industrial complexes and with it will grow a flourishing, modern city pre-planned down to the last bus stop.

This is an idle dream only to those who would have thought that Brasilia, the new capital of Brazil hewn from Amazon jungle, and the power-producing dam network of the Tennessee Valley Authority (TVA) were idle dreams. The reformation of this dusty, remote, Wild West-type desert wasteland into a huge steel, aluminum, power and wood products complex is tantamount to a rebirth of Venezuela.

Here, at the junction of the muddy Orinoco River and the cascading Caroni, is one of the world's richest and virtually untapped basins of natural resources. The plan to develop them in the next 15 years is backed by a bankroll of \$500 million to start.

Experts, including Venezuelans and some of the finest minds from Harvard and Massachusetts Institute of Technology (MIT), have ponderously labored over every aspect of this mighty development project for more than two years. Now the wheels that will turn the dream into reality are beginning to turn.

Remote Guayana state, encompassing one-fourth of the land area of Venezuela is now largely undeveloped and its population numbers only 213,000 persons. But the economic potential is seemingly boundless.

For Development

Ten per cent of Venezuela's total national investment for the next five years has been earmarked for the development of Guayana, which pos-

sesses a fantastic assortment of natural resources.

In this area, there are known deposits totaling 1-300,000 (M) tons of proven deposits of high-grade iron ore. Mining operations which began in 1954 have already converted Venezuela into one of the free world's leading suppliers of iron ore.

Just one year ago, President Romulo Betancourt tapped an electric open hearth furnace at a \$362 million government-owned mill on the shores of the Caroni, incorporating Venezuela into the family of steel-producing nations. The mill now has a capacity of 750,000 tons a year and is fully integrated; meaning it can handle all the processes starting with iron ore and ending with finished steel products.

The Caroni has the highest electric power potential of almost any river in the world: an estimated 10 million kilowatts, due to a drop of nearly seven hundred feet (240 meters) as it rushes to join the Orinoco. One \$45 million dam has already been finished, providing 350,000 kilowatts. A contract was signed earlier this year for the financing of the first phase of the \$133 million Great Guri dam, which when completely finished will be 338 feet high and have a capacity of 6 million kilowatts. Two more hydroelectric projects are on the drawing boards.

Brings Gas

Pipelines already bring gas and oil to the area from the easily-accessible oil fields of eastern Venezuela, which boast proven reserves of 2.2 billion barrels of oil.

The Orinoco has been dredged to a depth of 33 feet the entire 160 miles from Santo Tome de Guayana to the Atlantic.

Besides iron ore, the area boasts other minerals, including manganese, nickel, chrome, industrial diamonds, gold and coal (30 million tons of known reserves).

The area to the south abounds in great rain forests of the Amazon territory, promising a flourishing lumber industry. The fishing industry is only beginning to develop.

The area, at the confluence of two great rivers, flanked in the distance by rolling hills, provides a dramatic location for the development of a new city. Though only six degrees north of the equator, the site of the new city is fanned by almost constant breezes which are even expected to blow away the smoke from industrial chimneys.

Most of the land in the area belongs to the government corporation developing this area, meaning the development can be preplanned and controlled. The combination of abundant natural resources, cheap and plentiful hydroelectric power, good transportation to markets, natural beauty and the fact that it is a virgin territory whose

growth can be guided — make the Guayana region unique among the world's remaining lands of opportunity.

Three years ago, the government corporation charged with developing this area signed a contract with the Joint Center for Urban Studies of the MIT and Harvard. Now, after two years of intensive studies involving rotating staffs of experts in almost every field imaginable, the Center has released carefully guarded predictions for the area.

Barring war or a communist takeover in Venezuela, they see the Guayana region as the answer to the problems of a country which grew rich on oil. Venezuela is the free world's No. 1 oil supplier but the petroleum-centered prosperity was limited almost entirely to the northern coastal areas. Apart from that, while Venezuela has oil reserves to last at least another half century (16.8 billion barrels), the growth of the petroleum industry cannot keep pace with the population explosion — around 3.5 per cent per year, one of the highest rates in the world.

Already, because of the new steel mill, the Guayana region has witnessed its own population explosion: the site of the new city had a population of 4,000 in 1940. By 1950, that had doubled. By 1960, it had soared to 55,000.

At this point, the planners have stepped in and are trying to plan for an orderly future, a clean and modern city feeding on a coordinated industrial complex nearby and drawing on the resources of the region. By 1966, they expect the city to have a population of 115,000; by 1975, 420,000; by the 1980's, 680,000 and by 2,000, more than one million.

The government is counting on private capital to do most of the job of developing the industry of the area — and is welcoming private investment — but the government's Guayana Development Corporation (CGV), with \$500 million in capital available — will be the guiding hand.

Investment Needed
In the first phase of the city's development (1963-1966), an investment of \$415 million will be needed. The second stage, 1967-1975, will require \$1,388,000,000.

By 1975, the Guayana region is expected to be producing one fifth of Venezuela's gross national product, and one fifth of all its exports — ambitious goals considering the giant oil industry will still be operating at peak levels elsewhere in Venezuela.

More than 100 factories — ranging from steel and aluminum plants to pulp mills — are expected to provide jobs for 85,000 persons by 1975. Another 60,000 are expected to be working in other fields — mining, trade, transportation and services.

Keep in mind that all of this will be taking place in an

area all but barren a few years ago and which still — except for the steel mill and big open pit iron ore operations 90 miles away — resembles a Wild West frontier town.

The development of the city itself has been the heart of all the planning, planning aimed at creating a city attractive enough to attract top engineers, professionals, teachers. To get people to a

wilderness anywhere is hard enough. To do it in Latin America, where the big cities, and especially the capital cities, exercise an almost mystic magnetism, is a formidable job.

Penetrating Reports
To know the people already here and their needs as intimately as possible, Lisa Redfield Peattie of Chicago, a University of Chicago anthropologist, moved 16 months

ago into a shantytown on the outskirts. Mrs. Peattie remained there with her four children even after her husband was killed in an automobile accident here last December. Her penetrating reports, and those of others, are designed to keep the human factor paramount in the welter of statistics.

Housing is getting number one priority in the planning. With 800 persons arriving per

month, the metropolitan area could develop into a massive slum. Fully half of the 8,650 houses already built are either shacks or sub-standard. To avoid the spread of this, authorities have set up receiving areas for new arrivals. Easy credit terms are offered to anyone willing to work, and as fast as possible they are being moved into 7,000 new houses already under construction and all of which

will be finished by the end of next year.

Contracts have already been signed — some with U.S. firms — for the financing of the 70,000 houses that will be needed by 1975.

Those are the broad outlines of a dream which is already taking shape. Only time will tell whether man is equal to his vision of the future of Guayana, Venezuela's "El Dorado."

CAT'S PURR STUDIED
Bonn—(UPI)—Dr. Paul Leyhausen of the Max Planck Institute for the physiology of behavior is conducting experiments to find out why cats purr, it was reported today.

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Mercedes Douglas Marries Attorney

Beverly Hills, Calif.—(UPI)—The former wife of Supreme Court Justice William O. Douglas and Washington, D.C., attorney Robert Eichholz were honeymooning today en route to the bride's Washington state ranch.

The former Mercedes Hester Douglas and Eichholz were married here Tuesday — the day after Douglas, 64, married the former Joan Carol Martin, 23, at Buffalo, N.Y.

Douglas and Mrs. Eichholz, 46, were divorced one week ago. The weddings this week were the third for each.

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